former Representative Loud, of Califor-

da, who was chairman of the House com-

SUCCEEDS

Government's Most Noted Postoffice Prober to Act as Superintendent of Free Delivery.

MR. PAYNE'S STATEMENT

W. MACHEN "GRANTED LEAVE OF ABSENCE."

Many Charges Filed Against Him, Several Having Been Made by Indianians.

WORK OF J. L. BRISTOW

WHO IS CONDUCTING THE POSTOF-FICE DEPARTMENT INQUIRY.

Investigation Courted by Mr. Machen -Reorganization of the Divisions Probable.

Special to the Indianapolis Journal.

WASHINGTON, May 8 .- One of the most significant developments incident to the investigation in the Postoffice Department took place to-day when August W. Machen was granted an indefinite leave of absence from his position as superintendent of the free delivery service. The explanation of this action by the postmaster general is that Fourth Assistant Postmaster General Bristow desired to be placed in full control of the administrative business of the free delivery division.

Technically, it is true, Mr. Machen has been granted leave of absence until the in vestigation is concluded, but among those familiar with conditions in the department it appears to be the universal belief that Mr. Machen will hardly be reinstated, whatever develops in the future. Three of the most important divisions of the Postoffice Department, therefore, give promise of being thoroughly reorganized. George W. Beavers, who was superintendent of has been under the jurisdiction of the first the division of salaries and allowances, resigned shortly after the present inquiry was instituted by the postmaster general. James N. Tyner, the assistant attorney general, who was in charge of the fraud was dismissed after Mrs. Typer had rifled a safe in his office containing personal and public records.

Mr. Machen now has been relieved of duty on the recommendation of General Bristow, who is conducting the investigation. There has been much criticism heard recently that Mr. Machen was allowed to conduct the business of his division while it was undergoing investigation, but until yesterday the fourth assistant had made no suggestion that Mr. Machen should be relieved pending the present inquiry. Postmaster General Payne acted with characteristic promptness when he relieved Mr. Machen immediately upon the request of

General Bristow. DUE TO RECRIMINATION.

While there have been numerous charges and allegations against the administration of Mr. Machen, thus far no evidence of criminal wrongdoing on his part has been ped, according to all that can be learned at the department. Mr. Payne was Mr. Machen's leave of absence, and he stated that no assumption of criminal wrongdoing should be attached to the action taken to-day. He stated that summary removal, rather than an indefinite leave of absence, would have been ordered if Mr. Machen had been found guilty of the charges preferred against him.

There is no doubt in the minds of those who have impartially observed the developments in the Postoffice Department during the past few months hat the present condition of affairs is due large part to the intense bitterness between First Assistant Postmaster General Wynne and Superintendent Machen. This feeling has augmented the spirit of recrimination which has existed in the department for several weeks. This explains another feature of the case which Mr. Payne refers to in his letter to Mr. Machen. The free delivery service has been a constituent division of the first assistant's office. It is now transferred to the authority of the fourth assistant, where it is understood it will remain permanently. This possibly means a re classification of the duties of the four assistants such as was contemplated by Post-

master General Payne some time ago. M. C. Fosnes, the postoffice inspector, who will succeed Mr. Machen to-morrow in charge of the free delivery division, is the official who superseded Major Estes G. Rathbone when the Cuban postal frauds were disclosed. He will not remain permanently at the head of the division. The appointment of a permanent superintendent of free delivery in case Mr. Machen is removed or resigns will be made at the time that new heads of the salaries and allowances and fraud order divisions are named.

CHARGES AGAINST MACHEN. The fight against Superintendent Machen during the past few months has been probably the most bitter that has ever waged against a man in public place. The question is naturally asked whether it is in spired solely in the interests of clean government. Among the charges and allegations which have been brought against Mr. Machen since the investigation began are es follows: Advance information furnished to a certain manufacturer of mail delivery wagons in Indiana, by which this concern could approach new appointees in the tree delivery service and induce them as postoffice inspector at Philadelphia, Chiwhich contracts were awarded to Mr. stilding up a political machine in Congress 'Cuba, ass

mittee on postoffices and post roads, has spent much time during the past two or three days in conference with Postmaster General Payne, First Assistant Postmaster General Wynne and Fourth Assistant Postnaster General Bristow. Mr. Loud and Mr. Machen have been at odds officially for nearly two years, and it is believed that the

perior officers to get an increase in salary;

being an officer in a Mexican mining com-

pany and soliciting postal employes to

the transfer of the free delivery bureau

to the fourth assistant is significant. In

the plan of organization considered by Mr.

Payne some months ago such a step was

free delivery, and that appointments of

first assistant. What changes will be made

in the reorganization of the department

now contemplated Postmaster General

Payne will be unable to indicate until the

present investigation is completed. Mr.

Bristow, it is understood, hopes to com-

plete the investigation of the department

so that he may be able to present his re-

OFFICIAL ACTION.

Payne's Order and Machen's Reply.

WASHINGTON, May 8.-The investiga-

tion of the affairs of the Postoffice Depart-

ment, which has been dragging along for

two months, took a startling turn late this

afternoon, when, by order of Postmaster

General Payne, August W. Machen, gen-

eral superintendent of the free delivery

was relieved from duty, and Postoffice In-

spector would expedite the investigation.

Before a large number of newspaper men

Postmaster General Payne announced his

decision and read the correspondence be-

tween himself and Mr. Machen, together

with the recommendation of Mr. Bristow.

The latter's recommendation, made under

"In order to complete the departmental

investigation now in progress in a more ex-

peditious and satisfactory manner I beg

to request that the division of free deliv-

ery be temporarily assigned to the bureau

of the fourth assistant postmaster general,

and that I be authorized to assign a post-

office inspector as the acting superintend-

ent of said division during the continuance

"I am in receipt of a request from Gen-

eral Bristow, fourth assistant postmaster

general, that the division of free delivery

that he be authorized to assign a post-

office inspector as the acting general su-

perintendent of said division during the

continuance of the investigation now in

progress. In conformity with this request

take effect at the commencement of busi-

"The division of free delivery heretofore

under the general supervision of the first

assistant postmaster general is hereby

transferred and assigned to the fourth as-

sistant postmaster general and the regula-

tions of the department are amended in

"You are hereby granted leave of ab-

sence until the investigation is concluded

and will turn over the division of free de-

livery to the control of M. C. Fosnes, post-

office inspector, who has beer designated

as the acting general superintendent of

'I am in receipt of your letter of this

late advising me of your order, to take ef-

fect on the 9th instant, transferring the

division of free delivery from the super-

general to that of the fourth assistant post-

master general. I also note that I have

been granted a leave of absence until the

investigation now in progress is concluded.

and that during my absence Mr. M. C.

Fosnes, postoffice inspector, will be acting

general superintendent of the free delivery

will turn the division over to Mr. Fosnes

lesire to state what I have said to you

heretofore, that I court the fullest investi-

ready at any time to aid in the investiga-

tion now in progress, as I am unconscious

Postmaster General Payne in discussing

the matter said he believed the correspond-

ence told the whole story. He said his con-

clusion to relieve Mr. Machen was reached

yesterday after office hours. Mr. Bristow,

had a conference, during which Mr. Bristow

presented his letter requesting to be put

into full charge of the office in order to

expedite the investigation. He said there

was nothing back of the exchange except

He declined to say whether the changes

made would be permanent, saying that that

depended on the results of the investiga-

Mr. Machen came here from Toledo, O.,

the free delivery service on May 6 of that

year. Since then the office has grown to

immense proportions and the rural free

delivery mail service has been introduced

and extended to cover all parts of the

spectors in the service. He is chief assist-

ant of Mr. Bristow in the investigation

He is a native of Norway, where he was

born in 1851, and his home is Des Moines.

cago, Helena, Mont., and St. Paul. He is

la. He was once a special examiner of the

e said, had come to his office and they

gation of my official conduct and stand

to-morrow morning. In this connection I

Following was Mr. Machen's reply:

have issued the following orders, to

The letter of the postmaster general

date of yesterday, was as follows:

of this investigation."

ness on the 9th instant:

conformity therewith.'

the free delivery system.

of having done wrong

system.

Mr. Machen was as follows:

take charge of that service.

Recommendation,

JOHN E. MONK.

President next month.

Associated Press Dispatch.

ostmasters should be transferred to

counsel of Mr. Loud has figured in to-day's Mr. Machen had a conference with the postmaster general to-day and immediately after their talk as had been arranged, Mr. Payne sent his letter to Machen. Mr. Machen to-night was not inclined to talk, and outside, and virtually ignoring orders and directions from the first assistant postbut expressed confidence that he could rebut allegations made against him. He master general; borrowing money from said: "I have no fear of not being able to postal employes; granting authority to meet any and all of the charges that have been under investigation for the last several weeks. I take the action of the designature and virtually to conduct the busipartment to be a step towards expediting ness of the division; that he received \$300 and closing up the investigation as promptly as possible and designed to give Mr. Bristow an opportunity of getting a thorfrom a woman who wanted a government appointment; going over the head of his suough insight into the free delivery service."

purchase its stock. It has been reported | Westminster, Md., he will remain in this city during his leave of absence. also that since the investigation Mr. One of the plans under consideration Machen has removed papers from his office in the department. During all this bitter | the department is to keep the rural free delivery service permanently under the jurisdiction of the fourth assistant post-master general, leaving the regular free campaign against him Mr. Machen has stood by his guns, and in his letter to the postmaster general to-day he states that he delivery service in its former jurisdiction, that of the first assistant postmaster gencourts the fullest investigation of his offi-Postmaster General Payne explained cial conduct, and stands ready at any time that any rearrangement of duties would to aid in the investigation now in progress. hinge on the results of the investigation. First Assitant Postmaster General Wynne He asserts: "I am conscious of having

Mr. Machen will be at the department to-

morrow morning to relinquish his office to

moving his family to his summer house at

Mr. Fosnes. He says that, except while re-

Postmaster General Payne to-day received the reply of S. W. Tulloch to his request The action of the postmaster general in amending the regulations so as to permit for information in substantiation of Mr. Tulloch's charges against the administration of the Postoffice Department. Mr. Tulloch made the letter public last night. Mr. Payne refused to discuss the letter, Payne some months ago such a step was saying that the postmaster general was contemplated. It was suggested then that asked about it and that he "just laughed," Mr. Bristow should take charge of rural

left Washington to-day for a short vaca-

Tennessee Case to Be Probed. WASHINGTON, May 8.-The Postoffice Department to-day sent to Inspector Conger, of the rural free delivery service at Nashville, written instructions to investigate the case of the rural free mail carrier held up near Gallatin, Tenn. Postmaster General Payne said to-day that he river. They are further reported to (CONTINUED ON PAGE 5, COL. 4.)

BANKS INSOLVENT port to the postmaster general and the

AUBURN AND WATERLOO FINANCIAL HOUSES IN BAD SHAPE.

Their Resources Used Without Security to Finance Losing Ventures-Depositors Will Suffer Heavily.

system and one of the most widely-known Special to the Indianapolis Journal. government officials in the United States, FORT WAYNE, Ind., May 8.-The volum tary liquidation of the McClellan Bank, a spector M. C. Fosnes was designated to Auburn, and its Waterloo branch, known as the De Kalb Bank, turns out to be the The change will take effect to-morrow precursor of discoveries showing the banks morning, when Mr. Fosnes will assume to be disastrously insolvent. When J. D. charge of the free delivery service, and at Leighty was appointed receiver on Monday the same time that service will pass under for the purpose of settling up the affairs of the control of the office of the fourth asthe banks and the McClellan estate, it was sistant postmaster general. Heretofore it \$40,000 above the debts of the banks. There had been no question of the banks' solvency The action of the postmaster general was in the minds of their numerous depositors, taken on written recommendation of Fourth and nothing occurred to cause a run, but Assistant Postmaster General Bristow, owing to the advanced years of the widow who is directing the investigation of the of the former president, Judge C. A. O. Mcaffairs of the department. The transfer of Clellan, who served two terms in Congress Mr. Machen's bureau to his jurisdiction from this district, no suspicion was exand its administration by a postoffice in-

cited by the voluntary liquidation. Mr. Leighty, however, has discovered that the assets include paper signed by members of the McClellan family, without security, amounting to from \$70,000 to \$80,000. This money was used in promoting business enterprises in the lumber line at Alverton, at Auburn and at Detroit, which have not in all cases been prosperous. The Alverton plant is bankrupt.

The number of depositors cannot as ye

be reported, as the receiver said to-night that he was not through with his examination. From other sources, however, which the deposits amount to \$75,000 in the Auburn branch and \$60,000 in the Waterloo branch. The Auburn electric light fund had \$1,500 on deposit and County Treasurer Probst had The unfortunate depositors include many people of small means who have been pa trons of the banks since they were prosperous property of the president. his life the Auburn bank was a national bank, but five years ago it was changed to a partnership affair. It has done a fairly profitable business, but could not stand the drain on its resources in financing other and losing business deals. Mrs. McClellan has turned over all her property to the receiver.

ROOSEVELT HEIRS WIN.

President Among Those Who Are

CHICAGO, May 8.-Roosevelt heirs, who include the President and William E. and James C., his cousins, were awarded a verdict for \$42,425 to-day in the condemnation suit brought by the Pennsylvania Railroad Company involving a strip of land 400 feet long in Stewart avenue. The decision marks the close of litigation which has been waged for fifteen years for possession of the property, on which a section of the railroad's

main track is laid. The Roosevelt heirs own the abutting property facing the tracks in Stewart avenue, and when the thoroughfare was vacated by ordinance of the City Council for the Pennsylvania right of way the heirs refused to sanction the proceeding and brought sult, the series of actions finally reaching the Supreme Court, where a decision ousting the railroad company and ordering that the tracks be torn up instanter was rendered. Condemnation proceedings Contempt proceedings are still pending because of the company's refusal to tear up

VOTE OF THE PRESBYTERIANS.

its tracks and to vacate the premises.

It Assures Adoption of the Revised

Confession of Faith. PHILADELPHIA, May 8.-The Rev. William H. Roberts, stated clerk of the Presbyterian General Assembly, has received returns from 203 of the 237 presbyteries on the question of creed revision. Eleven overtures were sent to the presbyteries by the last General Assembly. Of the returns received 185 are in favor of all the overtures. thirteen are partly affirmative, two negawhat appeared in the letters themselves. tive, and three took no action. This vote ratifies the proposition, which required a majority of two-thirds of the presbyteries. and practically assures the adoption of the revised Confession of Faith by the General Assembly, which meets in Los Angeles this in 1893 and qualified as superintendent of I

TIED BRIDE TO TABLE.

Practical Joke Nearly Caused a Riot

at a Hazleton Wedding. HAZLETON, Pa., May 7 .- The wedding of Antonio Delucca and Mary Basti here to-day was followed by a reception at the wedding dinner a brother of the bride postal frauds in Cuba. On the sensational was an uproar among the guests, knives dismissal of Estes G. Rathbone Mr. Fosnes being drawn and revolvers flourished. Great was appointed director general of posts of excitement prevailed, but no one was badly Cuba, assuming that office on June 23, 1900. hurt.

and holding it until May 20, 1902, when the Inited States soverignty on the island

WARLIKE PREPARATIONS IN THE NORTHERN PORTION OF CHINA.

Evidence that the Czar's Troops Do Not Intend to Leave Manchuria in the Near Future.

NEW CHWANG AGAIN OCCUPIED

STRONG GARRISONS POSTED AT THE MOUTH OF THE LIAO RIVER.

Forts Being Constructed at Liao-Yung to Command the Road Between There and Yalu River.

PORTION OF KOREA INVADED

RUSSIA'S LATEST COUP VIEWED WITH SURPRISE AT PEKING.

Vigorous Action by the United States and Other Nations Probable-Protest from Japan.

PEKING, May 8.-The Russians, it is announced, have reoccupied Nieu-Chwang with a large force and also have put garrisons at the forts at the mouth of the Liao making extensive warlike preparations. The Russians are reported to be constructing forts on the hill near Liao-Yung commanding the road between there and the Yalu river, and they have arranged to have a large quantity of provisions delivered at Nieu-Chwang. A dispatch from an official at Nieu-Chwang says indications point strongly to these active preparations being intended to guard against operations against the Russians in Manchuria. The news of Russian activity, which comes from a most trustworthy source at Nieu-Chwang, adds that on their return to Nieu-Chwang the Russian troops brought with them several large guns. A large force has been ordered to reoccupy Tien-Tchwang-Tai. The Russians have 14,000 troops between the mouth of the Liao river and

Russia's coup has caused profound surprise here, as recent developments had led to the expectation that Russia would comannounced that the assets would amount to promise her demands since they had been revealed to the powers. The latest maneuver is interpreted as being intended as a reply to China's refusal to grant Russia's demands, to the protests of the powers and as a declaration that she is ready to fight in order to maintain possession of Manchuria. It is considered significant that the Russian army reoccupied certain strategical posts at just about the time naval reinforcements were reaching the Gulf of Pe-Chi-Li. The temporary withdrawal of the Russian troops from Nieu-Chwang is believed to have been a feint to avert suspicion from the contemplated policy until the Russian squadron was within useful distance. It has been reported recently that Russia was accumulating great stores of provisions and war materials. It is impossible to confirm these reports, but it is known that the Russian military authorities have been buying many horses. All the available information indicates that Russia is preparing to increase and not decrease her forces in

The foreign ministers yesterday discussed information to the effect that the Russians had taken a large tract of land across the river from New-Chwang, commanding the terminus of the Shan-Kwan railroad. It was stated that Russia informed the Chinese officials that the tract was needed for a Russian drill ground. The selection of the site seemed remarkable, because all the troops were then quartered on the opposite side of the river, several miles distant, where plenty of land was available The Chinese officials describe the dowager Empress as being greatly distressed and as fearing that the Russian aggression will excite anti-fereign demonstrations, resulting in retaliation on the part of the foreigners and the introduction of more foreign troops. Nowhere has a suggestion been heard that China will resort to arms in order to resist Russia. Prince Ching. the grand secretary, yesterday secured five days' leave of absence. This is a favorite strategem of Chinese officials who are desirous of avoiding unpleasant situations. It is stated here that Russian influence is being exerted to conciliate American opinion, and that appeals are being made to the traditional friendship of the two hations, with the argument that Russian de-

Russians Enter Korea.

lished a consulate at Mukden.

velopment of Manchuria will open a great

field for American commerce, while the

opposition of the United States to Russia's

plans might provoke retaliation against

American trade. The Russians have estab-

YOKOHAMA, May 8.-There are persistent reports in circulation regarding the movement of Russian troops along the Yalu river. Detachments have entered Korea, ostensibly to protect the Russian timber concessionaires, and a large body of Russian troops is reported to be approaching Wiju, Korea. The Japanese government is protesting against these ac-

STRONG PROTEST PROBABLE.

United States, Britain and Japan May Take Vigorous Action.

WASHINGTON, May 8 .- The State Department has received official confirmation from its agents in China of the increase of the Russian garrison in New-Chwang, Manchuria, and there is reason to believe, if President Roosevelt approves, that it is preparing to take vigorous steps in the matter. Secretary Hay is in communication with President Roosevelt in California and upon the latter's decision the secretary's course will depend. It is stated that the department has had its patience taxed by the course of events in Manchuria and that it now contemplates a more radical step than any which has heretofore marked the negotiations between the powers on this subject. The proposed step contemplates joint action by Japan, England and the United States. Preceding negotiations have been hampered by the inability of this government to act jointly with other nations without violating its traditions, but it is now hinted that some plan of co-operation with England and Japan may be advised which will have the effect of convincing connection with his investigation of the she upset the table, and instantly there the Russian government of the united

is subject to the approval of the President. If it is not looked upon with favor by him, the State Department may fall back upon its former method of individual representation to Russia and ask another explanation of the happenings in Manchuria. In such event the Russian answer is already forecasted by the officials here.

Under the Russian representation to the powers the troops were to have been withdrawn from New-Chwang just one month ago to-day. It is understood, as a matter of fact, that a portion of the Russian force was withdrawn from barracks in the city to tents outside. It is presumed from Peking advices that these troops have now returned to the city. However, it is pointed out that Russia employed a saving clause in the promise to withdraw from Manchuria, the language being: "Provided, however, that the action of other powers shall not stand in the way." Russia, it is understood. now claims that this proviso was violated by Japan when she mobilized her fleet and otherwise showed signs of military preparations, which were construed as a menace to

Accompanying the news of the reoccuplying of New-Chwang comes a warning from our agents at Manchurla that the attitude of Russia is injuring the chances of a treaty which Mr. Conger and Consul General Goodnow have been negotiating with China, involving the opening to American trade of the ports of Taku-Shan and Moukden in Manchuria. The latest advices are that the treaty is already practically lost owing to Russian opposition. This fact is construed to give the United States a direct interest of what is happening in Baron Sternberg, the German minister, and Sir Michael Herbert, the British am-

bassador, both called at the State Department to-day. It was believed that their visits were, in some degree, connected with the Manchurian situation.

President Not Wet Informed.

LOS ANGELES, Cal., May 8.-The attention of President Roosevelt to-day was called to a dispatch from Washington stating that Secretary Hay was in communication with him regarding the increase of the Russian garrisons at Nieu-Chwang, Man-churia. It was further asserted that the secretary of state was only awaiting the President's approval of his course to take vigorous action, even to the extent of a joint protest by Japan, England and the United States.

no communication from Secretary Hay regarding the affair. He had not been asked to approve of the course indicated and in fact had never heard of the matter before.

CONCORD TO HAVE A GRANITE CHURCH COSTING \$100,000.

Head of the Christian Science Faith Has Added to Her Previous Donation of \$20,000.

Special to the Indianapolis Journal. CONCORD, N. H., May 8.-Through the generous gift of the Rev. Mary Baker Eddy, the Christian Scientists of Concord, N. H. are to have one of the finest church structures in the Granite State. The plans for this edifice were presented at a largely attended church meeting to-night, and work will begin upon the new structure in the near future. The gift of Mrs. Eddy includes the desirable lot of land now occupied by Christian Science Hall, in the heart of the city, at the corner of State and School streets, and is without doubt one of the finest locations in Concord for a church building. In addition to the gift of this

her total present represent the sum of The church will be built of Concord granite, as specified by Mrs. Eddy in her original deed of trust, and first announced the Concord Monitor of March 19, 1898. In response to an inquiry from the editor of that paper, Mrs. Eddy made the following

choice location, Mrs. Eddy presents to the

church a cash donation of \$100,000, making

"On Jan. 31, 1898, I gave a deed of trust to three individuals which conveyed to them the sum of \$100,000, to be appropriated in building a granite church edifice for First Church of Christ, Scientist, in this In the fall of 1897 Mrs. Eddy purchased the property opposite the High School and adjoining the State Capitol, and, after remodeling the man sion into a hall and reading room at a total outlay of \$20,000, she presented Christian Science Hall and grounds to the local members for their use On Feb. 22, 1899, First Church of Christ, Scientist, was organized, with a member ship of seventy-eight. The congregation has outgrown its present quarters, and the new church is required to accommodate the increase in membership, which has been so

The church will be built of the same granite of which the National Library milding in Washington is constructed. The tion and outline it will be in keeping with modern ideas of a church building. It is intended that the pews of the church shall

CHARITIES CONFERENCE

Topics Discussed by the Delegates-

Prof. Brown Among the Speakers. ATLANTA, Ga., May 8 .- The National Conference of Charities and Correction this morning was separated into sections for the discussion of various phases of the general work of the conference. The topics were "Juvenile Delinquents," "State Supervision of Charities and Correction," and "Disease and Dependence, Housing and Sanitary Inspection." In the afternoon other section meetings were held, the subjects being "The Juvenile Court," the treatment of criminals, including probation of adults, parole and pardon, and needy families in their homes, including legal aid Among the speakers to-day were Prof. D. Brown, of Irvington, Ind.; Rutherford Platt, of Columbus, O.; George R. Canfield, of New York; C. M. Hubbard, of Cincinnati; Judge Julius B. Meyer, New York; Judge Benjamin B. Lindsay, Denver, and Rev. Samuel J. Barrows, New

Before the section on "State Supervision and Administration of American Charities and Correction," D. C. Potter, chief of the charities division of the New York fire department, made certain charges reflecting on the Department of Public Charities in New York city. He declared there was a great waste of public money through the thirty-seven inspectors or agents that are employed by this department. He charged that there was corruption, too, in the conduct of certain State institutions. Mr. Potter was answered by Homes Folks, commissioner of public charities in New York city, who declared that the charges with reference to the waste of money through his department were unfounded. Jeffrey R. Brackett, president of the Department of Charities of Baltimore, Md., also took occasion to reply to certain statements made by Mr. Potter with reference to the conduct of State institutions.

SUIT FOR \$1,000,000.

Harry Cilley Asks Damages from the Alleged Shoe Machinery Trust.

BOSTON, Mass., May 8 .- A suit for \$1 .-000,000 damages has been brought by Harry Cilley against the United Shoe Machinery Company in the United States Circuit Court. The plaintiff says he has been engaged in the business of manufacturing shoe machinery, in which he has invested about \$300,000, the principal part of that amount consisting in domestic and foreign patents. He sues under Section 2, Chapter 647 of the act of 1890, entitled "An act to protect trade and commerce against unlawful restraints and monopolies." He aspropolize a part of the trade of commerce in shoe machinery, and has wrongfully obtained control of the market for its sale to the exclusion of himself. His business, upon Russia's evacuation of Manchuria, to the exclusion of himself. His business, while not actually committing the United he declares, has been destroyed and his States to a formal aliance. This programme property rendered useless.

FRED FUEHRING ON SWEEPING

He Alleges That He and Furnas Were Discriminated Against by Mayor Taggart in 1899.

Chairman Wynne ruled last night at the FINED OUT OF BUSINESS pening of the session of the Council comopening of the session of the Council committee that in investigating the sprinkling contract the committee is authorized to include the street sweeping contracts in its Mr. Matson, attorney for E. D. Logsdon, HAD TO TAKE REFUGE BEHIND AN investigation. The question was raised by who cited the resolution passed by the Council. It referred to the communication from Mayor Bookwalter. This spoke of a resolution adopted by the Board of Public Works asking for an investigation as to "certain contracts." Mr. Noel said he would doubtless present several matters to the committee that would not interest

Mr. Matson and his client. He said the committee could investigate any city affairs, being the standing committee for that purpose. Accordingly Mr. Noel examined Fred W. Fuehring at length as to the sweeping con-

tracts. He brought out the fact that Fuehring and John H. Furnas had secured the sweeping contract two years during the Taggart administration by having Charles H. Stuckmeyer, former city clerk and a leading Democratic politician, bid for the contract. Mr. Noel developed by persistent questioning of Fuehring that in 1898 the contract had been awarded to Graves & Jones. In 1899 Fuehring and Furnas bid under the name of John H. Furnas, and were awarded the contract, being the lowest bidder. Their bid took the contract from Graves & Jones. Mr. Fuehring said he subsequently found that they had got the contract "by mistake." This he explained by saying that they made a mistake in bidding at all, but they did not discover their mistake until the fines assessed against them became excessive and oppres-

FINED SEVERAL THOUSAND DOL-

Mr. Fuehring said, in answer to Mr. Noel's question, that, while he did not like to brag on himself, the sweeping of 1899 was the best ever done in the city. Yet he said the sweepers were fined several thousand dollars. Such fines had never been assessed before or since, and he regarded it as strange that they should be assessed when the work was so well done.

"you believed that you were being fined out of the business?" "It seemed that way. I did not think that at first, but after a while it seemed

"As a matter of fact," asked Mr. Noel,

"Well, you were fined so heavily that you lost money on the contract, weren't you?"

"Oh, yes sir: we lost money." "And you suffered so from this treatment that you decided not to bid in 1900?"

"We thought it was no use to bid for work if we did it well and got fined so

"But you did bid in 1900?" "Mr. Stuckmeyer bid and got the contract. We did the work."

Mr. Fuehring explained that one day early in 1900 Mr. Stuckmeyer, with whom he was well acquainted, came to him and asked him if he had determined not to bid again. Fuehring said he had. Stuckmeyer asked him what he would do the work for. Fuehring said he would do it for 17 cents per 10,000 square feet. Stuckmeyer then asked him if he would do the work for that price if Stuckmeyer bid and got the contract. He said he would. Accordingly, Stuckmeyer bid 1814 cents and got the contract. He kept the difference between 17 cents and 1814 cents as his compensation. This amounted during 1900 and 1901 to about

PROFITABLE CONTRACTS. Fuehring testified that in both 1900 and 1901 the sweeping was not so well done as in 1899, yet in 1900 he said he was not fined one-sixth of the sum he was fined in 1899. when the work was the best ever done in the city and when he and Furnas had lost money. This continued in 1901 and the contracts both years were profitable. Fuehring said he was very glad to have Stuckmeyer interested in the contract.

He also explained that in 1899 the amount of sweeping done was as great as that in 1898, yet had cost about \$9,000 less. The contract of 1899 was the only one

where the whole city, for a period of nine months, was to be paid for by a lump sum. Furnas bid \$37,500 and bid 19 cents per 10,-000 square feet for the three winter months -a period between Dec. 15 and March 15. when there is little swe ping.

Mr. Noel examined Fuehring minutely as to the sweeping history so as to familiarize the committee with it. Mr. Fuehring made an interesting explanation of how more money could be made when a small price is bid than when a large one is. He said if 20 cents was the price the contractor could sweep every night and keep his equipment busy, while if he swept only one or two nights a week and got 50 cents he could not earn enough to pay the expenses of his business.

Fuehring said a horse sweeper, of the rotary brush kind, could sweep seventyfive blocks in a night, while a pneumatic sweeper, such as Furnas had invented. could sweep 115 to 120 blocks. After 1896 Fuehring had acquired the exclusive right to use this sweeper in Indianapolis for a period of seventeen years.

CHARACTER OF SPECIFICATIONS. Referring again to 1899 Fuehring said the specifications were construed to mean that the streets should be absolutely free from dust at all times. "Like this," he said showing the back of his hand. His treatment was so "outrageous" that he and Furnas decided not to bid again because they felt that Mayor Taggart was trying to fine them out of the business. Furnas told the board they would not bid again Because of this treatment Fuehring had objected to paying the campaign assessment in 1901 which Kennington solicited for the Maguire campaign. Fuehring said he had not asked Taggart if he was disappointed when Graves & Jones did not again secure the contract. Fuehring said, however, that Stuckmeyer

nad been more than a mere figurehead to procure the contract. Stuckmeyer, he said, looked after the work and was out until late hours seeing how it was done. He also oversaw the work of the street | had always been pleasant. He said he had orderlies. This was handy, he said, as no bitterness because he had been forced. Stuckmeyer was at that time putting in by the circumstances, out of both the swe his waste paper boxes, to erect which he procured a franchise from the Taggart ad-Under the contract the city paid \$3 for the teams used in the removal of collected

sweepings and paid the street orderlies. The orderlies were by the contract to receive \$1.35 a day. Fuehring said he kept the time of the street orderlies and turned it over to Stuckmeyer, who collected the money for it. This money he paid to Fuehring and Furnas. Fuehring looked the difference between these amounts and the \$1.35 paid by the city for their profit and the expense of tools which they were

ADMINISTRATION MAN.

Former City Clerk Stuckmeyer Got the Contract and Fuehring and Furnas Did the Work.

ALMOST CEASED

IN 1900 SWEEPING WAS PROFITABLE FOR ALL CONCERNED.

Mr. Fuehring Tells of His Talk with H. B. Gates About Sweeping Contract—Other Features.

required to furnish. He denied that any of this went to Stuckmeyer. He admitted that this amounted during the course of nine months to about \$1,500. He said the laborers were not paid when rain prevented their working and that Stuckmeyer did not draw pay for them when rain prevented

PAY FOR RAINY DAYS. "What would you say if the records of the board showed that Stuckmeyer had drawn pay for rainy days?" asked Mr.

Fuehring was positive that Stuckmeyer

had not done this, but he admitted, after

much equivocation, during which Mr. Noel became very angry, that he did not know what the records might show. "Did you feel in 1900 that the administration was forcing you to take Stuckmeyer

into the contract?" "I thought if there was any thrashing Stuckmeyer would have to take it." He said he believed Stuckmeyer's interest in the business purely a business one. He said he knew Stuckmeyer was a close friend of Taggart's. 'Did Furnas tell you he had been to see

Taggart and Taggart had told him he mu take Stuckmeyer in? Fuehring said he had made a profit of about 3 cents on the work at 17 cents. In 1902 Fuehring said he bid, through Furnas, for the contract at 17 cents, but he contract was awarded to the Marion County Construction Company for 16 cents. Mr. Noel then asked Fuehring to tell his

story of his negotiations with Harry B. Fuehring said he was told by Furnas that he (Furnas) had been called to Gates's office the day preceding and that Gates had asked him to bring "Fred" around. witness and Furnas visited Gates. told them he was willing to go in with them as a secret partner; that he could do them lots of good; that he had expected lic Works, but that the papers had talked and the mayor had told him he not go on. Gates, Fuehring said, told him he had nominated Bookwaiter and helped to elect him, and that if there was not enough in the \$60,000 appropriated for the work he would see that they got more.

A FOURTH INTEREST. Fuehring said Gates said he wanted to purchase a fourth interest in the business. Nothing was said by either Gates, Furnas or the witness about a salary of \$3,200 or any other amount to be paid to Gates. Gates said he wanted to take Stuckmeyer's place. Fuehring said he did not relish kicking Stuckmeyer out after he had been a

Fuehring said he asked Gates how he would know that Furnas and the witness did not cheat him out of his share. Gates, Fuehring testified, said in reply: freund, I will trust you for everything. He tapped Fuehring on the arm. Gates, Fuehring testified, said he was going to Buffalo with Mayor Bookwalter to

the national bowling tournament of 1902 and would talk the matter over with him He said he first learned that Gates was interested in the Marion county company when George Selbert, president of the company, paid him for ten wagons and forty horses which he sold to the company. Seibert said he would pay him for the wagons when his moneyed man returned. His "moneyed man" would be home the following day at 8 o'clock. Fuehring said he had a friend telephone to Gates's office and was

told that Gates would be home Friday morning at 8 o'clock. Fuehring said he did not go with Furnas to see Al Middleton, Logsdon's brother-in-1902. He said he did not personally know Middleton, but had been told by Furnas

Mr. Ketcham conducted a fiery cross-examination of Fuehring. It was intended to show that throughout all the transactions Fuehring had with Kennington about the money to be paid to Logsdon in 1902 and this year that he had not told Kennington he was dishonest nor had he told Logsdon of what Kennington was saying. Asked why he did not go to Logsdon and ask him if what Kennington was saying about him was true, he replied that he didn't consider it his business to do so. Mr. Ketcham asked about the drop in sprinkling prices from \$49 in 1891 to \$20 in 1899 and the increase to \$24 in 1900. Mr. Ketcham examined him as to all the affidavits he had signed since 1896. The witness answered in all cases that the affidavit of noncollusion was true because he did not believe he was in a combination. He said it was an "arrangement." He said there was no agreement as to prices, but merely the "arrangement" to divide the work.

DID NOT KNOW IT. "Don't you know that when you made the affidavit of 1900 that you were telling a falsehood, and that there was a combination to increase the price?"

"No, sir." Fuehring then explained that the action of the Board of Public Works in that year in narrowing the sprinkling width of the streets had caused all the contractors to bid high because the work presented an "experiment." The next year the contractors knew more about the periment," and prices dropped Fuehring said he had known Logsdon for a couple of years, and that their relati

ing and sprinkling business. He said he had no reason to believe Logsdon dishonest except what Kennington had told him. Mr. Matson examined Fuehring to show that in 1902, when Kennington was asking \$500 a month for corrupt purposes, Rust d Kennington got the contract and nothin was paid, and that the same opportuni existed this year if the other got the work. Fuehring said he felt fident when Rust was in the transaction he would not permit any corrupt payment.

Fuehring was examined at length as to
the affidavit he made at Charles Martindale's office and as to the bidding this year,